

July 14, 2017

Mr. Greg Lovato, Administrator
Nevada Division of Environmental Protection
901 S Stewart St
Carson City, NV 89701

Subject: Anaconda Mine Site - SPS support for NPL Deferral approach

Dear Greg,

Singatse Peak Services, LLC (SPS) writes this letter to express our support for deferring the NPL listing of the Anaconda Mine Site. We believe the deferral approach will lead to a faster and more cost effective cleanup of the former mine site while retaining the protectiveness of a CERCLA approach.

SPS began actively pursuing the restart of copper mining in Yerington in 2006. Since that time, we have spent almost USD \$40M performing exploration and mine development in the area. SPS acquired the assets of the Anaconda Mine site from the Arimetco bankruptcy court in 2011. We believe now, as we did then, that the highest and best use of the site is to restart a new mine. Responsible mining would be a tremendous boost to the local economy by adding hundreds of good paying jobs for the local communities, while being protective of the environment.

SPS continues to be supportive of the NPL Deferral approach as long as that approach retains our current rights to restart mining at the site. The key issues for SPS are that we retain ownership of the surface and subsurface rights following cleanup, while continuing to preserve our immunity from past environmental liabilities at the site.

As a landowner and vested stakeholder in the local communities, SPS looks forward to our continued discussions with the State of Nevada and NDEP as the deferral path moves forward.

Sincerely,



Thomas Patton
Chief Executive Officer & Chairman
Quaterra Resources, Inc.
Manger - Singatse Peak Services, LLC



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